



State of Arkansas
Department of
WORKFORCE SERVICES

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**Department of Workforce Services
and
Arkansas Workforce Investment Board Issuance PY 08-16**

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To: Local Workforce Investment Areas/Service Providers

Subject: Local Area Guidance for Implementation of the Workforce Investment Act
Funding in the American Recovery and Reinvestment Act of 2009

1. **Purpose:** The purpose of this Issuance is to provide local area policy guidance and direction regarding the American Recovery and Reinvestment Act of 2009 ("the Recovery Act") funding for activities authorized under the Workforce Investment Act of 1998 (WIA). More specifically, the Issuance provides policy guidance on the use of:
 - WIA Adult and Dislocated Worker funds provided in the Recovery Act;
 - WIA Youth funds provided in the Recovery Act, including guidelines for summer youth employment activities.

2. **References:**

- Workforce Investment Act of 1998, as amended (29 U.S.C. 2801 et seq.)
- WIA Regulations, 20 CFR parts 652 and 660-671
- The American Recovery and Reinvestment Act of 2009 (P.L. 111-5)
- TEGL No. 17-05, "Common Measures Policy for the Employment and Training Administration's (ETA) Performance Accountability System and Related Performance Issues"
- TEGL No. 28-05, "The Employment and Training Administration's (ETA's) New Strategic Vision for the Delivery of Youth Services Under the Workforce Investment Act (WIA): Expanding ETA's Vision for the Delivery of Youth Services under WIA to include Indian and Native American Youth and Youth with Disabilities"
- TEGL No. 2-07, "Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System"

- American Recovery and Reinvestment Act of 2009 (Recovery Act) for activities under the Workforce Investment Act of 1998 (WIA). Workforce Investment Act Adult, Dislocated Worker and Youth Activities Program Allotments; Wagner-Peyser Act Allotments, and Reemployment Service (RES) Allotments.”
- TEGL No. 14-08, “Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009”
- TEGL No. 14-08, Change 1, “Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009, Change 1”
- FY 2009 Omnibus Appropriations Act (P.L. 111-8)

3. **Table of Contents:** The Issuance contains the following sections:

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4. **Strategic Vision for Implementation of Employment and Training Provisions of the Recovery Act:**

The Recovery Act, signed by President Obama on February 17, 2009, is intended to preserve and create jobs, promote the nation’s economic recovery, and to assist those most impacted by the recession. With the additional workforce funding provided in the Recovery Act, and the increased employment and training services such funding will support, the state’s workforce system will play a vital role in Arkansas’ economic recovery by assisting workers who are facing unprecedented challenges to retool their skills and re-establish themselves in viable career paths.

Drawing on the expertise of Arkansas' workforce system in developing our workers, our workforce centers will target services to meet the changing needs of workers and employers, helping the dislocated engineer with resume refinement, the construction worker to develop competencies in green construction technologies, and the Certified Nursing Assistant to enroll in a registered apprenticeship program that will put her on the pathway to higher skilled and higher paying jobs that will lift her family from poverty to the middle class.

If our workforce system is to meet both the letter and the spirit of the law and fulfill its critical role in Arkansas' economic recovery, we must implement the Recovery Act expeditiously and effectively, with full transparency and accountability of our expenditure of funds. But the Recovery Act provides more than an injection of workforce development resources into communities in need. The significant investment of stimulus funds presents an extraordinary and unique opportunity for our workforce system to accelerate its transformational efforts and demonstrate its ability to innovate and implement effective One-Stop service delivery strategies. As local areas plan how their service delivery systems will make immediate use of the Recovery Act funds, the Governor strongly encourages them to take an expansive view of how the funds can be integrated into transformational efforts to improve the effectiveness of our public workforce system. In this system, the needs of workers and employers are both important in developing thriving communities where all citizens succeed and businesses prosper. Our system's implementation of the Recovery Act should yield not only increased services and training for workers in need, but also an invigorated, more innovative public workforce system capable of helping enable future economic growth and advancing shared prosperity for Arkansans.

In a stronger, more comprehensive One-Stop system, adults move easily between the labor market and further education and training in order to advance in their careers and upgrade their contributions to the workplace, while disconnected youth are able to reconnect through multiple pathways to education and training that enable them to enter and advance in the workforce. Adult education, job training, postsecondary education, registered apprenticeship, career advancement activities and supportive services are fully aligned with economic and community development strategies, so as to meet the skill needs of existing and emerging regional employers and high-growth occupations as well as the needs of under-skilled adults. Under such a dual-customer approach, seamless career pathways are developed and offered, and supportive services and needs-related payments are available, making it far easier for young people and adults, particularly those most in need, to advance and persist through progressive levels of the education and job training system as quickly as possible and gain education and workforce skills of demonstrated value at each level. Education and training at every level are closely aligned with jobs and industries important to local and regional economies. Every level of education and training affords students, apprentices, and trainees the ability to advance in school or at work, with assessments and certifications articulated to the requirements of the next level of education and employment.

To achieve this vision of a strong and vital workforce system, system stakeholders at every level must continue to develop and refine innovative service delivery strategies in the context of regional economies. Although we confront the challenges of a global economy on a national level, economic prosperity for individuals and families will be determined in large part in regional economies – both metropolitan and rural. It is critical therefore that workforce boards partner with each other regionally and across political jurisdictions, and develop solutions in collaboration with community colleges and other education providers, registered apprenticeship, employers, business and labor organizations, civic groups and community philanthropy to align workforce development services with strategies for regional development. Sector strategies that enable low-income, displaced and under-skilled adults and disconnected youth to acquire the knowledge and skills for success at work in key industries are an important service delivery innovation.

Sector strategies for renewable energy, broadband and telecommunications, health care, advanced manufacturing, and other high-demand industry sectors identified by local areas should become an integral part of comprehensive approaches to workforce development and regional growth.

5. General Policy Guidelines: In utilizing the funding in the Recovery Act, state, and local levels of the workforce system must be guided by four principles:

1. Transparency and accountability in the use of Recovery Act funding;
2. Timely spending of the funds and implementation of activities;
3. Increasing workforce system capacity and service levels; and
4. Using data and workforce information to guide strategic planning and service delivery.

The Recovery Act contains many provisions stressing transparency in the use of the funding provided by the Act, including the creation of a new website named www.recovery.gov. This emphasis on transparency, along with national interest in the impact of the Recovery Act on our nation's economy, will translate into increased attention on our state workforce system's implementation of the Recovery Act. The upcoming modifications to our state and local plans, and the information gathered through the WIA performance and reporting system will be important sources of information to ensure transparency and accountability for use of Recovery Act funding. The Arkansas workforce system's success in implementing the Recovery Act will be gauged in part by the progress it achieves in using annual appropriations along with Recovery Act funds to help unemployed, underemployed, and dislocated workers find new, good jobs and to access and remain in the middle class; to help low-skill or low-income workers acquire 21st century skills, find family-supporting jobs in healthy industries and access the middle class; and to help enhance the education pathways for disadvantaged and disconnected youth to improve their labor market prospects and long term career success.

Another guiding principle is the timely spending of funding and implementation of activities contained in the Recovery Act. The Act is intended to stimulate the economy and provide quick assistance to those impacted by the economic downturn, which is reflected in the requirement that states allocate funds to local areas within 30 days of their receipt of funding. Local areas are expected to move quickly to use the Recovery Act funding, in conjunction with other available funds, to provide career assessments, remedial and occupational training and job search assistance to unemployed workers; help youth access the services they need to pursue education and employment; assist businesses in hiring qualified workers; and other activities that can aid in the recovery of local and regional economies.

Recovery Act funding may only be used for authorized WIA activities as provided in this Issuance. The State expects local areas to fully utilize the additional workforce funding to substantially increase the number of customers served, and to substantially increase the number and proportion of those customers who receive training. These funds must be used to supplement annual WIA allocations and must only be used for activities that are in addition to those otherwise available in the local area (WIA sec. 195(2)). To that end, Recovery Act funding is to be spent concurrently with other WIA funding, and should not be used to replace state or local funding currently dedicated to workforce development and summer jobs.

While the law requires states and local areas to track and spend Recovery Act funds separately from other WIA formula funds, the State expects local areas to strategically align all of their resources to meet both short-term and long-term regional and local workforce development needs. The State will be looking for expenditures and performance results very quickly. Spending of Recovery Act formula funds will be integrated into Arkansas' ongoing monitoring schedule.

To facilitate a rapid expansion of workforce service delivery capacity, local areas must be prepared to hire the workforce professionals needed to administer workforce programs and deliver services. In making hiring decisions, however, local areas should be mindful of the temporary nature of the Recovery Act funding.

Additionally, local areas should consider the value of workforce and economic information and use this information in implementing the Recovery Act. Now more than ever, this type of information should be the foundation of workforce development strategies. Workforce information will be particularly critical as local areas seek to identify those businesses and sectors of the economy that are still in need of workers, even in the economic downturn, and those that will begin to grow as the economy recovers.

Workforce information is also central to analysis of transferable skills for workers who have lost their jobs in industries and occupations that are not likely to rebound and need to transition to new careers.

6. Key Recovery Act Provisions and Emphases of Note:

- ***Contracts with Institutions of Higher Education and Other Training Providers:*** To increase the availability of training to workforce system customers, the Recovery Act allows Local Workforce Investment Boards (LWIBs) to award contracts to institutions of higher education, such as community colleges, or other eligible training providers, if the board determines it would facilitate the training of multiple individuals in high-demand occupations and if the contracts do not limit customer choice. This provision of the law is in addition to the current methods for providing training and is intended to help increase education and training enrollments and capacity in a time when many states and educational institutions are experiencing budget shortfalls, by allowing LWIBs to pay for the full cost of training at the beginning of the course. Direct contracts with institutions of higher education and eligible training providers also allow LWIBs to quickly design training to fit the needs of the job seekers and employers.

Training services include the full range of occupational skills training, adult education and literacy services, and customized training as described in WIA section 134 (d)(4)(D). Before entering into such contracts, the State expects LWIBs to assess current training offerings to ensure that the contracts are not duplicating existing training courses and curricula. These training contracts can be performance-based to ensure that they result in real outcomes for the students.

As part of the contract, the institution of higher education or eligible training provider could develop curriculum for emerging sectors and enhance the capacity of the institutions to ensure quality training within limited timeframes. As such, the development of curriculum by institutions of higher education can be considered a training activity under WIA, if it is developed in the context of providing training to WIA participants.

To be consistent with the timely spending of Recovery Act funds, curriculum activities should focus on adapting existing or creating new curriculum that will result in a short-term increase in training capacity, rather than long-term curriculum development activities.

Institutions of higher education, such as community colleges, need not be on a state list of eligible providers of training services in order to be awarded a contract with Recovery Act funds. Other providers of training that are not institutions of higher education must be on the state list of eligible providers in order to be awarded a contract.

- ***Emphasis on Serving Low-income, Displaced and Under-skilled Adults and Disconnected Youth:*** Particular populations have been heavily impacted by the recession, and have particular challenges in regaining employment. The State expects local areas to pay particular attention to these populations in the development of implementation strategies for Recovery Act funds. Local workforce development strategies should include robust approaches to helping these workers access training and employment services that advance them along career pathways in high-growth industries, and help them gain access to and remain in the middle class. The Recovery Act contains several provisions designed to target services to these populations. Priority use of WIA Adult formula funds under the Recovery Act must be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E) (see Section 13. C. of this Issuance for additional discussion of the interaction of this priority with the veterans' priority under the Jobs for Veterans Act). Furthermore, the law requires local areas to ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are made available to support the employment and training needs of these priority populations. The provision of supportive services and needs-related payments should also be a focus for the Recovery Act Dislocated Worker formula funds. Summer youth work experiences are similarly intended to include youth who are disconnected from education and the workforce. WIA funds may be used for adult education, including basic or English language education, as delivered through community colleges and other high quality public programs and community organizations that provide such services, as long as they are provided in connection with occupational skill training leading to a job or career for which the individual is preparing.
- ***Provision of Reemployment Services:*** Our workforce system plays a vital role in helping unemployed workers quickly find work, and in helping employers find workers when they are ready to hire. The Recovery Act includes a major investment to provide Reemployment Services to Unemployment Insurance (UI) claimants. The Department of Workforce Services (DWS) intends to implement a significant increase in the number of staff available to provide these services through our Job Search Workshops, and to work with local areas to develop close partnering relationships between UI and Arkansas Workforce Center services to ensure UI claimants are quickly linked to a workforce center in their area to develop and pursue an employment plan.

We will work together to develop a comprehensive and integrated service delivery model to ensure the UI claimants receive an enhanced level of service. Based on the claimants' needs, we will strive to consider all the following service strategies and tactics:

- ❖ Claimant reemployment job clubs and/or networking support groups, including White Collar Job Clubs;
- ❖ Expanding the basis under the UI profiling system for referring UI claimants for services through the One-Stop system;

- ❖ Providing training for One-Stop staff on assessments, including worker profiling; auto-coder software; labor market information, etc. to help staff understand how to use information and technology tools to target RES;
 - ❖ Collaboration with UI to identify claimants who would benefit most from RES or WIA services, and encouraging UI to adjust the profiling models to target these individuals;
 - ❖ Targeting job development efforts to better identify the skills transferability needs of UI claimants;
 - ❖ One-on-one career guidance and counseling to include examination of whether an individual is likely to return to previous occupation or industry and, if not, use of skills assessment and testing techniques, labor market information data, workforce information, O*NET, and other tools to identify the claimant's transferable skills and other occupations and/or industries in which these skills can be used;
 - ❖ Development of individual reemployment plans for claimants who, based on assessments, would not be a candidate for immediate reemployment in the regional labor market area and would benefit from additional RES and/or WIA intensive and training services; and
 - ❖ Soft-skills pre-training services such as computer and Internet keyboarding, and other competency classes to improve claimants' ability to job search and apply to jobs online.
- **Green Jobs:** The energy efficiency and renewable energy industries offer workers new opportunities that may require additional training and certification. Through the Recovery Act, a number of other federal programs will receive large investments in programs and projects that could create "green jobs." These include investments in renewable energy infrastructure, energy-efficiency home retrofitting, biofuel development, and advanced drive train/vehicle development and manufacturing. As local areas receive Recovery Act funding for the WIA programs and implement training and reemployment strategies, the State encourages local areas to recognize opportunities to prepare workers for "green jobs" related to other sources of federal funding. Local areas are also encouraged to expand existing training programs, such as registered apprenticeship programs that have the potential to prepare workers for careers in the renewable energy sectors and for other "green jobs."

While occupational data collection on green jobs is ongoing and occurring in both the public and private sectors, there appears to be general consensus from the research that not all "green jobs" are necessarily new or unique occupations, but represent "layers" of green skills upon existing occupations. For example, O*NET has identified a number of occupations that may be moderately impacted by "green" technologies. These may include, but are not limited to, power plant operators; electrical engineers; heating, ventilating and air conditioning (HVAC) mechanics and installers; and roofers and construction managers.

Other occupations that have the potential for significant change and growth include, but are not limited to, wind turbine engineers; solar power plant operators; and wind turbine service technicians.

Additional data collection will further inform the work of the workforce system at all levels. For Arkansas, the Department of Workforce Services' Labor Market Information department is currently compiling a list of "green industries" and will further compile a list of "green jobs" within those industries. When this has been accomplished, the information will be made readily available.

While this Issuance provides specific policy guidance for the WIA programs, local areas should note that \$750 million was made available to the U.S. Department of Labor's Employment and Training Administration (DOL/ETA) through the Recovery Act to award competitive grants focused on projects that train workers and place them in employment in the energy efficiency and renewable energy industries; the healthcare industry; and other high-growth and emerging industries. Approximately \$500 million of the funding will be provided through future solicitations for grant applications to support research, labor exchange and job training projects that prepare individuals for careers in industries as defined in the Green Jobs Act of 2007.

- ***Connections to Other Federal Recovery Act Investments:*** Through the Recovery Act, billions of dollars will be invested in projects related to infrastructure development and improvement, healthcare, and other areas that will create jobs and opportunities for unemployed workers to rejoin the labor force. For instance, the development and implementation of a national infrastructure for electronic medical records will modernize health information technology and increase this industry's need for qualified workers. Other Recovery Act funding will focus on projects that include, but are not limited to: school renovations and construction; Veterans Affairs hospital and medical facility construction and improvements; repair and restoration of public facilities and parks; repair and restoration of Department of Defense facilities; and construction of highways, public transportation, air, and rail (including high speed rail) transportation infrastructure. Clearly, these projects create opportunities for workers nationwide.

The State will review, and strongly recommends that LWIBs review, other parts of the Recovery Act, with an eye toward the activities to be carried out through the Departments of Agriculture, Defense, Energy, Health and Human Services, Interior, Transportation, and others, to monitor these funding streams at the state level in an effort to coordinate workforce development activities and maximize the return on each investment in terms of the number of workers employed or reemployed through such projects. For example, LWIBs should collaborate with local government agencies and employers who are creating jobs in road and bridge projects, local food production and processing, nursing and allied health, and local conservation projects and energy efficiency programs such as the Weatherization Program run by many local Community Action Agencies.

7. **Listing Recovery Act Jobs on State Job Banks:** The State expects that local areas will list all jobs generated through the Recovery Act in Arkansas JobLink (AJL). This will enable all job seekers to view and, if appropriate, pursue newly created jobs, as well as assist job placement coordinators in identifying reemployment opportunities for job seekers. As modifications are made to AJL to accommodate Recovery Act data collection, we anticipate having the ability to identify those jobs that have been created with Recovery Act funding. In order to foster greater accountability and transparency in the use of Recovery Act funds, the federal government will include on www.Recovery.gov links to and information about how to access job and registered apprenticeship opportunities, local employment agencies, and State Job Banks.

8. **Availability of Funds:**

- ***Period of Availability of Funds at the Local Level:*** Local areas are expected to spend Recovery Act funding quickly and effectively. It is the Congress' intent, as well as that of the Administration, that the majority of these funds will be utilized within the first year of availability. Local areas are reminded that the Recovery Act provides additional funds under existing WIA authority, and the design and delivery of the services for the Recovery Act funds are governed by the Workforce Investment Act and 20 CFR Part 652 et al.

Training and Employment Guidance Letter (TEGL) Number 14-08, on page number 25, states that local areas have until the end of PY 2010 (June 30, 2011) to expend WIA Youth Recovery Act funds. TEGL No. 14-08, Change 1 clarifies that this same expenditure period for local areas also applies to the WIA Adult and Dislocated Worker Recovery Act funds.

- ***Recapture and Reallocation of Unobligated Funds:*** For normal WIA formula allotments, DOL/ETA recaptures and re-allots excess unobligated funds among states, and Governors may recapture and reallocate excess unobligated funds among local areas within the state at the end of each program year, per WIA Section 127 (a), 128(c) and 133(b). TEGL No. 14-08, Change 1 addresses the recapture and reallocation of unobligated local area WIA Recovery Act funds in stating that because Recovery Act WIA funds are only available for three months in PY 2008, DOL/ETA has determined that moving funds so soon afterward defeats the purpose of the Act. Thus, DOL/ETA has determined not to apply a re-allotment to Recovery Act funds for PY 2008. For similar reasons, DOL/ETA has determined that it is imprudent to permit Governors to recapture and reallocate Recovery Act funds at the end of PY 2008 as well. Governors may recapture and reallocate Recovery Act funds that are eligible for recapture and reallocation in accordance with 20 CFR 667.160 at the end of PY 2009. The WIA recapture and reallocation requirements, including the calculations relating to the percentage of funds that have been obligated, are to be applied to Recovery Act WIA formula funds separately from the application of these requirements to the PY 2009 regular WIA formula funds.

- ***Change in Fund Transfer Limit Between Adult and Dislocated Worker Formulas:***

WIA Section 133(b)(4) provides the authority for local workforce areas, with approval of the Governor, to transfer up to 20 percent of the Adult Activities funds to Dislocated Worker Activities, and up to 20 percent of Dislocated Worker Activities funds to Adult Activities. TEGL No. 14-08 provided that the 20 percent limit of WIA sec 133(b)(4) applied to Recovery Act funds. Subsequently, the FY 2009 Omnibus Appropriations Act raised the transfer limits between Adult and Dislocated Worker funds to 30 percent, which is applicable for the life of the funds.

TEGL No. 14-08, Change 1 clarifies that because Recovery Act funds are supplemental FY 2009 funds, the 30 percent transfer limit also applies to these funds. Per TEGL No. 14-08, waivers of the funds transfer limit between Adult and Dislocated Worker programs above 30 percent do not apply to Recovery Act funds.

9. **Monitoring:** Pursuant to WIA regulations at 20 CFR 667.410, each state recipient and sub-recipient of Recovery Act funds must conduct regular oversight and monitoring of its WIA activities and those of its sub-recipients and contractors in order to determine that expenditures have been made against the appropriate cost categories and within the cost limitations. Oversight and monitoring should determine whether or not there is compliance with programmatic, accountability, and transparency provisions of the Recovery Act and TEGL No. 14-08, as well as the regular provisions of WIA and its regulations and other applicable laws and regulations. States and local areas are also required to provide technical assistance as necessary and appropriate.
10. **Program and Performance Reporting:** Accountability guidelines provided by the Office of Management and Budget for the Recovery Act emphasize data quality, streamlining data collection, and collection of information that shows measurable program outputs. DOL/ETA is developing reporting guidelines for these funds with the intent to minimize any new collection burdens. Their final guidance on participant and performance reporting will be issued under a TEGL in the near future and necessary guidance will subsequently be provided to local areas. To the extent that new information or reports are required for Recovery Act activities, DOL/ETA is seeking Office of Management and Budget (OMB) clearance through the Paperwork Reduction Act process.

11. **WIA Adult Program:**

- A. **Allowable Activities**

It is the intent of the Recovery Act that WIA Adult funds be used to provide the necessary services to substantially increased numbers of adults to support their entry or reentry into the job market. To that end, local areas should consider how assessment and data-driven career counseling can be integrated into their service strategies to support adults in successful training and job search activities that align with areas of anticipated economic and job growth.

Recovery Act funds can be used on all activities specified under the WIA Adult program. To maximize the reach of Adult formula funds, workforce centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act.

Because workers may need to up-skill or re-skill to compete for limited career opportunities, training will be a particularly vital service during the economic recovery, and overall training enrollments are expected to increase. Training services may include occupational skills training, on-the-job training, programs that combine workplace training and related instruction, including registered apprenticeship, training programs operated by the private sector, skill upgrade and retraining, entrepreneurship training, job readiness training, adult education and literacy training, and customized training. These funds can also be used to support adult basic education training, including English as a second language.

The Recovery Act specifically emphasizes the authority to use these funds for supportive and needs-related payments to ensure participants have the means to pay living expenses while receiving training. This should allow workers to pursue training of sufficient duration to acquire skills and credentials of value that will connect them to emerging jobs as the economy recovers. To increase state, regional, and local training capacity, the Act gives states and local areas the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate the training of multiple individuals in high-demand occupations, so long as the contract does not limit customer choice as discussed in section 6.

As stated earlier, priority use of these funds shall be for services to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). Local areas are particularly encouraged to provide training opportunities to these individuals. Again, because family and income responsibilities often prevent these priority populations from successfully entering or completing training, local areas should ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are available to support the employment and training needs of priority populations. Supportive services may include transportation, childcare, dependent care, housing, and other services that are necessary to enable an individual who is unable to obtain the services from other programs to participate in activities authorized under WIA. Needs-related payments may be provided to adults who are unemployed and do not qualify for or have ceased to qualify for unemployment compensation for the purpose of enabling such individuals to participate in programs of training services. Workforce centers should take advantage of the availability of these payments so that customers can pursue their career goals, rather than their short-term income needs determining the length of their training.

B. Recommended Strategies

- ***Targeted Use of Funds:*** The State expects local areas to develop plans and strategies that target the use of WIA Adult formula funds on the services that most efficiently and effectively assist workers impacted by the current economy to obtain employment, with priority given to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). These strategies should include assisting adults to adapt their skills and career goals to the rapidly changing economy and employment options. Local areas should make every effort to assess the skills, abilities, and career goals of adults and to help them map their skills against current and anticipated jobs. The Recovery Act recognizes that adults participating in training to advance or retool their skills will need supportive services and needs-related payments to remain and succeed in training. In gathering best practices, local areas may wish to look to the papers, curriculum, and other products shared through www.workforce3one.org, and are encouraged to share their own best practices through the Web site. Further, the State expects local areas to execute these plans and strategies in a way that builds towards the vision of the workforce system as articulated in Section 4 of this Issuance.
- ***Coordination and Alignment with Wagner-Peyser, Reemployment Services, Trade Adjustment Assistance, Unemployment Insurance, and One-Stop Career Center Partner Programs:*** The State expects local areas to align their use of WIA Adult formula funds and other federal and state resources, such as Adult Basic Education and Pell grants, and with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, local areas should integrate their implementation of Adult services with Reemployment Services and UI programs so that individuals have easy access to all programs, regardless of their point of entry into the system. Local areas should also coordinate with the Career Pathways Initiative and TANF program in serving recipients of public assistance and other low-income individuals.
- ***Leveraging and Support for Registered Apprenticeship Programs:*** The State expects local areas to leverage new and existing national, state and local registered apprenticeship programs and assets as a key resource in their talent development and reemployment strategies. Significant Recovery Act investments are targeted to key industries such as construction, health care, transportation, and other industries with emerging green jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship. Linking talent development and reemployment strategies to these Recovery Act investments, particularly those focused on generating new “green” jobs, is critical to providing employment opportunities that can provide a pathway to the middle class and allow individuals to earn while they learn.

- ***Alignment with State and Regional Economic Recovery Plans:*** The State expects local areas to align their WIA Adult formula activities with state and regional economic recovery plans as they are developed, particularly those connected with the Recovery Act, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. Local areas are encouraged to develop comprehensive regional partnerships to facilitate this alignment. LWIBs are encouraged to partner with each other regionally and across political jurisdictions as necessary.

12. WIA Dislocated Worker Program:

A. Allowable Activities

It is the intent of the Recovery Act that WIA Dislocated Worker funds be used to provide the necessary services to dislocated workers to support their reentry into the recovering job market. To that end, local areas should consider how assessment and data-driven career counseling can be integrated into their service strategies to support dislocated workers in successful training and job search activities that align with areas of anticipated economic and job growth. The funds can be used for all activities specified under WIA for the Dislocated Worker program. It is the intent of the law that substantially increased numbers of dislocated workers will be served with this infusion of formula funds, and that training will be a significant area of focus. Training services include occupational skills training, on-the-job training, programs that combine workplace training and related instruction, including registered apprenticeship, training programs operated by the private sector, skill upgrade and retraining, entrepreneurship training, job readiness training, adult education and literacy training, and customized training. Additionally, states and local areas have the authority to enter into contracts with institutions of higher education, such as community colleges, or other eligible training providers to facilitate the training of multiple individuals in high-demand occupations, so long as the contract does not limit customer choice.

To be eligible to receive services under the WIA Dislocated Worker formula funds provided in the Recovery Act, individuals must meet the eligibility requirements as stated in WIA section 101(9). This definition allows individuals to qualify as a dislocated worker in four different ways. Local areas are expected to test individuals' eligibility against all options to ensure that they maximize the number of people qualifying as dislocated workers. Individuals, who do not qualify under category A, because of the nature of their employment separation, may still qualify under category B, C, or D. TEGL No. 14-08 indicates that additional guidance will be forthcoming discussing dislocated worker eligibility scenarios. Customers who do not qualify as dislocated workers should be considered for eligibility in the Adult formula program.

Category A – General Dislocated Workers

To qualify, an individual must meet the following three criteria:

1. Has been terminated or laid off, or has received a notice of termination or layoff, from employment;
2. EITHER is eligible for or has exhausted entitlement to unemployment compensation; OR has been employed for a duration sufficient to demonstrate, to the appropriate entity at a One-Stop Career Center referred to in WIA section 134(c), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a state unemployment compensation law; and
3. Is unlikely to return to a previous industry or occupation.

Category B – Plant Closure

To qualify, an individual must meet one of the following three criteria:

1. Has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
2. Is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
3. For purposes of eligibility to receive services other than training services described in WIA section 134(d)(4), intensive services described in WIA section 134(d)(3), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility will close.

Category C – Self-Employed or Unemployed

To qualify, an individual must meet the following criteria: Was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters.

Category D – Displaced Homemaker

To qualify, an individual must meet the following three criteria:

1. Has been providing unpaid services to family members in the home;
2. Has been dependent on the income of another family member but is no longer supported by that income; and
3. Is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

B. Recommended Strategies

- ***Targeted Use of Funds***

The State expects local areas to develop plans and strategies that target the use of WIA Dislocated Worker formula funds on the services that most efficiently and effectively assist dislocated workers to obtain employment. These strategies should include assisting dislocated workers to adapt their skills and career goals to the rapidly changing economy and employment options. The State expects local areas to assess the skills, abilities, and career goals of dislocated workers and to help them map their skills against current and anticipated jobs.

- ***Supportive Services and Needs-related Payments***

Because of the nature of our nation's changing economy, many dislocated workers may need training to increase their skills and gain employment. The State expects local areas to establish policies that assure that supportive services and needs-related payments, described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H, that may be necessary for an individual's participation in job training are part of the dislocated worker service strategy. Guidance on the provision of needs-related payments to dislocated workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, workforce centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. Workforce center staff should also take into account the additional weeks of UI benefits available under Emergency Unemployment Compensation and Extended Benefits that may help eligible customers complete longer-term training.

- ***Coordination and Alignment with Wagner-Peyser, Reemployment Services, Trade Adjustment Assistance, Unemployment Insurance, One-Stop Career Center Partner Programs, and Registered Apprenticeship***

The State expects local areas to align their use of WIA Dislocated Worker formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, local areas should integrate their implementation of Dislocated Worker services with Reemployment Services and UI programs such that individuals have easy access to all programs, regardless of their point of entry into the system. Local areas should also coordinate with the Career Pathways Initiative and TANF program in serving recipients of public assistance and other low-income individuals.

Since significant Recovery Act investments are targeted to key industries such as construction, transportation, healthcare and other industries with emerging "green" jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship, local areas are also encouraged to leverage new and existing registered apprenticeship programs and assets.

- ***Alignment with State and Regional Economic Recovery Plans***

The State expects local areas to align their WIA Dislocated Worker formula activities with state and regional economic recovery plans, particularly those connected with the Recovery Act as they are developed, to ensure that training and employment services support anticipated industry growth, and corresponding expected employment opportunities and required skill competencies. Local areas are encouraged to develop comprehensive regional partnerships to facilitate this alignment. LWIBs are encouraged to partner with each other regionally and across political jurisdictions as necessary.

13. Additional Guidance for WIA Adult and Dislocated Worker Programs:

A. Training Activities

The State expects local areas to consider using the six methods of providing training listed below in utilizing the WIA Adult and Dislocated Worker funds provided in the Recovery Act:

- ***Individual Training Accounts*** allow job seekers maximum flexibility in selecting training providers to meet their training and education needs.
- ***Customized training*** is designed to meet the special requirements of an employer or group of employers and is conducted with a commitment by the employer to employ an individual on successful completion of the training. The employer pays for not less than 50 percent of the cost of the training. Customized training is a valuable tool to create specific training for an employer or group of employers with jobs available that require similar skill needs that results in positive employment outcomes for individuals upon completion of training.
- ***On-the-job training (OJT)*** provides job seekers with work experience and skills training needed to successfully obtain and retain employment. Under OJT, the employer is provided up to 50 percent of the costs of training calculated and paid on a wage reimbursement basis. National outcome data shows that outcomes for individuals completing OJT are higher than for those using other training methods. Additionally, research on successful adult learning strategies indicates that “earn-while-you-learn” models are critical to the successful training outcomes.
- ***Contracts with institutions of higher education and other training providers*** allow LWIBs to work directly with institutions of higher education, such as community colleges, and other training providers to quickly design education and training to fit the needs of the job seekers and employers they are serving. These contracts are intended to provide a means of quickly ramping up much-needed training capacity.

- ***Contracts with community-based organizations:*** WIA section 134(d)(4)(G) gives local areas the flexibility to contract directly with community-based organizations to provide training, in lieu of Individual Training Accounts, if the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization to serve special participant populations that face multiple barriers to employment.
- ***Registered apprenticeship*** combines education and work experience resulting in a nationally recognized portable credential and offers adults and dislocated workers a career pathway into specific fields. There are a number of creative ways to utilize WIA funding in support of both pre-apprenticeship and apprenticeship programs. See TEGL No. 2-07, "Leveraging Registered Apprenticeship as a Workforce Development Strategy for the Workforce Investment System," and the recently updated apprenticeship regulations (73 Fed. Reg. 64402 (Oct. 29, 2008)) for more information.

B. Sequence of Service

In this Issuance, the State is clarifying requirements in WIA regulations related to sequence of services for the WIA Adult and Dislocated Worker programs as follows:

- Before providing intensive services, a local area must determine that an individual is unable to obtain employment through core services, among other criteria.
- To provide training services to an individual, the local area must determine that an individual is unable to obtain employment through intensive services, among other criteria.

As stated in the preamble to the WIA regulations, these determinations do not mean that the individual must go through layers of service to prove that need. The determination of need itself can be a core and/or intensive service, such as an assessment or development of an Individual Employment Plan. Thus, a caseworker could initially meet with a participant at a workforce center, assess his or her skills, consider labor market conditions, and determine that core or intensive services will not be sufficient to result in employment for the participant. The provision of training or other needed services can then be provided sequentially, concurrently, or in whatever order makes the most sense for the individual.

C. Priority of Service for Veterans and Eligible Spouses

Local areas must incorporate priority of services for veterans and eligible spouses sufficient to meet the requirements of 20 CFR part 1010, published at Fed. Reg. 78132 on December 19, 2008, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act.

Under sec. 1010.310(b)(3) of these regulations, when the veterans priority is applied in conjunction with another statutory priority like the Recovery Act's priority for recipients of public assistance and low-income individuals, veterans and eligible spouses who are members of the Recovery Act priority group must receive the highest priority within that priority group, followed by non-veteran members of the Recovery Act priority group.

14. WIA Youth Program:

A. Allowable Activities

Any youth activities under WIA are allowable activities for the Recovery Act funds. Unless otherwise stated in this Issuance, the laws and regulations for WIA Youth funds apply to the Recovery Act funds.

While the Act does not limit the use of the Recovery Act funds to summer employment, the Congressional explanatory statement for the Act states "the conferees are particularly interested in these funds being used to create summer employment opportunities for youth." The State fully expects local areas to use as much of these funds as possible to operate expanded summer youth employment opportunities during the summer of 2009, and provide as many youth as possible with summer employment opportunities and work experiences throughout the year, while ensuring that these summer employment opportunities and work experiences are high quality. The State is also particularly interested in, and encourages local areas to develop, work experiences and other activities that expose youth to opportunities in "green" educational and career pathways.

In addition to emphasizing summer employment as a major component of the funding, the Recovery Act includes two other significant changes to youth activities under WIA. The Act increases the age eligibility to a maximum of 24 years old. The Recovery Act also states that the work readiness indicator will be the only indicator to assess the effectiveness of summer employment.

Summer Employment

For purposes of the Recovery Act funds, the period of "summer" will be from May 1 through September 30. "Summer Employment" may include any set of allowable WIA Youth services that occur during the above referenced summer months as long as it includes a work experience component. Work experience is defined under WIA regulations at 20 CFR 664.460.

In order to implement the Congressional intent to offer expanded summer employment opportunities, it may be necessary to provide additional flexibility for youth served with Recovery Act funds who participate in summer employment only. Local areas have program design flexibility in the following areas that may facilitate the implementation of expanded summer employment.

- Because all 10 youth program elements will already be available through existing WIA Youth funds, local areas will not be required to use Recovery Act funds to make all 10 program elements available. Local areas have the flexibility to determine which program elements they provide with Recovery Act funds.
- Local areas have the flexibility to determine if the 12-month follow-up will be required for youth served with Recovery Act funds during the summer months only (May 1 through September 30). Local areas should provide follow-up services when deemed appropriate for such individuals.
- Local areas have the flexibility to determine the type of assessment and Individual Service Strategy (ISS) for youth served with Recovery Act funds during the summer months only and provide the type of assessment deemed appropriate for each individual.
- Local areas have the flexibility to determine whether it is appropriate that academic learning be directly linked to summer employment for each youth served with Recovery Act funds during the summer months only.
- The work readiness portion of the skill attainment rate will be the only indicator used for youth that participate in “summer employment” only. The basic and occupational skills portions of the skill attainment rate and the literacy/numeracy gains measure will not be required for youth that participate in summer employment only. In addition, no other WIA or common measure indicator will be required for youth in summer employment only. However, for reporting purposes, local areas will be required to track the number of participants enrolled in summer employment and the completion rate of those in summer employment (i.e., (# youth who complete their summer employment work experience/ # of youth who participate in summer employment) x 100%).
- DOL/ETA is considering funding a process evaluation to collect information on best practices and implementation challenges. Local areas may be asked to participate in such an evaluation.

As described further in Section 15, DOL/ETA has gathered tools and resources that may be helpful to local areas in implementing summer employment.

Tracking and Reporting

In order to determine how to track and report youth served by Recovery Act funds, youth will be classified in the following ways:

- Any youth served with Recovery Act funds will be included in a separate Youth Recovery Act report. (Guidance is expected in an upcoming Recovery Act Performance and Reporting TEGL.)
- Any youth served with only Recovery Act funds that participates in summer employment only will only be included in the Youth Recovery Act report and the work readiness indicator will be the only measure that applies to such youth.
- If a youth served with Recovery Act funds does not participate in summer employment or is served beyond the summer months, he/she would also be included in the regular WIA reporting mechanisms (WIASRD, annual report, quarterly report) and be subject to the full set of WIA Youth measures or youth common measures for those states that have a common measures waiver. The State has requested the following waiver that would allow Arkansas to use the work readiness indicator as the only indicator of performance for youth ages 18 to 24 who participate in work experience only beyond the summer months.

Waiver of youth performance measures for out-of-school youth ages 18- 24 served with ARRA funds beyond the designated summer months that participate in work experience only. This waiver will support the intent of ARRA to serve the targeted population through work experience in time of high unemployment for young people.

Rationale for Waiver

- *This waiver would permit use of the work readiness indicator as the only performance requirement for the designated youth and would only be applicable for the first six months following the designated summer months of 2009.*
- *Included in this request is the program design flexibility for the designated youth, outlined in Section 16 A of Training and Employment Letter 14-08 that apply to youth who participate in work experience only beyond the summer months.*
- *Participants impacted by this waiver who receive additional education and training services under WIA or ARRA will be co-enrolled in the appropriate program.*

B. Expenditure of Funds

Local areas will have until the end of PY 2010 (June 30, 2011) to expend WIA Youth Recovery Act funds. It is critical that local areas balance the need to expend the funds quickly in order to stimulate the economy, while ensuring that quality programs are in place for youth served with Recovery Act funds. Local areas with the necessary infrastructure in place to quickly implement programming for youth served with the Recovery Act funds are expected to expend significant Recovery Act funds in the summer of 2009. Costs associated with Recovery Act funds are allowable effective the date of the passage of the Recovery Act, February 17, 2009. Therefore, costs associated with the planning and implementation of summer employment opportunities is allowable if incurred after that date.

C. Program Administration

Eligibility for youth served with Recovery Act funds is the same as for the WIA Youth program, with the exception specified in the Act that allows for youth up to the age of 24 to be served with Recovery Act funds. Local areas are encouraged to begin the eligibility determination process for summer employment immediately.

Workplace Guidelines

The State expects local areas to adhere to current workplace safety guidelines and applicable federal/state wage laws. For information and resources on safety and child labor laws, consult <http://www.youthrules.dol.gov/about.htm> and <http://www.osha.gov/teens>. Provisions for wages under the amendments to the Fair Labor Standards Act (FLSA) apply to all youth participants employed under WIA. Current law specifies a minimum wage of \$6.55 per hour effective July 24, 2008, and \$7.25 per hour effective July 24, 2009. Depending on the facts, FLSA regulations may apply only to the workplace portion, and not to the classroom portion, of summer employment. Any hours spent in classroom training as part of a summer employment opportunity may or may not fall under the FLSA. (If you have questions regarding whether an individual is an employee, or whether an employee's time spent in training is compensable, please contact the Wage and Hour Division at 1-866-4-USWAGE, or at <http://www.dol.gov/esa/WHD>.) Local areas may provide wages or stipends to youth in a classroom-based component of a summer employment opportunity. Local areas should have a policy guiding the payment of classroom based stipends and wages.

Priority of Service for Veterans and Eligible Spouses

Given the expanded age range to 24 under the Recovery Act, local areas may encounter an increased volume of veterans. Veterans age 21 to 24 have a particularly high incidence of unemployment immediately upon discharge. Local areas are required to provide priority of services for veterans and eligible spouses pursuant to 20 CFR part 1010, the regulations implementing priority of service for veterans and eligible spouses in Department of Labor job training programs under the Jobs for Veterans Act published at 73 Fed. Reg. 78132 on December 19, 2008.

Out-of-School Youth

The requirement that local areas expend a minimum of 30 percent of funds on out-of-school youth applies to the Recovery Act funds. Local areas must ensure that a minimum of 30 percent of these funds is used for serving out-of-school youth.

D. Procurement

Per WIA regulations at 20 CFR 664.610, chief elected officials and LWIBs are responsible for ensuring that the local youth program provides summer employment opportunities to youth. The chief elected officials are the grant recipients for local youth funds, unless another entity is chosen to be the grant recipient or fiscal agent. The grant recipient/fiscal agent has the option of administering summer youth employment opportunities themselves. If providers other than the grant recipient/fiscal agent are used to provide summer employment, these providers must be selected by awarding a grant or contract on a competitive basis. If necessary, local areas should explore expedited or emergency procurement processes that may be available under current state and local law, provided that these processes comply with OMB requirements codified in 29 CFR Parts 95.40-95.48 and 97.36. In order to implement summer employment during the summer of 2009, DOL/ETA recognizes the need for flexibility in the youth procurement requirements in WIA section 123. The State has requested the following waiver that would allow Arkansas' local areas to expand on existing competitively procured contracts.

Waiver of requirements of Section 123 of the Workforce Investment Act (WIA) relating to procurement requirements for youth services

Rationale for the Waiver

- *This waiver will allow for expansion of existing competitively procured contracts up to one hundred (100) percent and facilitate timely implementation of the ARRA provisions. The state will issue necessary guidance to ensure compliance with the transparency provisions of the act.*
- *Approval of the requested waiver will not result in any unfair procurement practices and will not waive necessary compliance with applicable state and local procurement laws and policies.*
- *This waiver will have applicability only to the ARRA funding.*

Note: According to the Department of Finance and Administration's Office of State Procurement, if the State's waiver request is approved:

1. Local areas may amend/expand existing competitively bid contracts. The amendment/expansion is subject to the local area's normal approval process.
2. Local areas may not amend expired contracts.

E. Program Design Considerations

Because all 10 youth program elements will already be available through existing WIA Youth funds, local areas will not be required to use Recovery Act funds for all 10 program elements. Therefore, local areas have the flexibility to determine which program elements to focus on with Recovery Act funds.

The State fully expects LWIBS and Youth Councils to ensure that a substantial portion of these funds are used to operate expanded summer youth employment opportunities during the summer of 2009, and provide as many youth as possible with summer employment opportunities and other work experiences outside of the summer months, while ensuring that these summer employment opportunities and work experiences are of high quality.

When considering expanded summer employment opportunities, local areas should consider the following design elements.

- ***Objective Assessment and Individual Service Strategies***

Under 20 CFR 664.405(a)(1) and (2), the design framework of local youth programs must provide a comprehensive objective assessment of each youth participant, including a review of the academic and occupational skill levels, as well as the service needs of each youth. In addition, an ISS must be developed for each youth participant identifying age-appropriate career goals and consideration of the assessment results for each youth.

Local areas have the flexibility to determine the appropriate type of assessment and ISS for youth served with Recovery Act funds during the summer months only. Although some level of assessment and development of an individual service strategy is required, a full objective assessment and comprehensive ISS as specified in the WIA regulations is not required for youth served only during the summer months. Local programs have the flexibility to determine what, if any, academic needs should be addressed for these summer only participants. Also, local programs will not be required to assess basic skills level for out-of-school youth participating in summer employment as part of the objective assessment, since the basic skills portion of the skill attainment rate and the literacy/numeracy gains measure will not be used for summer youth participants.

- ***Age Appropriate Activities and Work Readiness Goals***

Summer employment activities should be designed to encourage participants to take responsibility for their learning, to understand and manage their career options, and to develop social skills and a maturity level that will help them interact positively with others. This is especially true for at-risk students and high school dropouts, as summer employment may be one of the few opportunities they come across to learn how to enter the world of work.

These efforts should rely on developmentally or age-appropriate strategies: what is appropriate for a 24 year-old may not be appropriate for a younger youth. Consequently, the services provided to these youth participants and the work readiness goals set for these individuals should be age appropriate.

When setting work readiness goals, local areas should follow the definition for a work readiness skill goal as specified in TEGL No. 17-05, Attachment B, Definition of Key Terms, found at http://wdr.doleta.gov/directives/attach/TEGL17-05_AttachB.pdf. The key part of the definition is the need for local areas to determine whether a measurable increase in work readiness skills has occurred. Local areas should establish a methodology for determining work readiness skills upon beginning and completing the summer experience in order to determine whether a measurable increase has occurred. Although local areas are not required to use a specific assessment instrument to determine pre- and post-work readiness skills, local areas should choose from a variety of assessment tools including worksite supervisor evaluations, work readiness skill checklists administered by program staff, portfolio assessments, and any other relevant forms of assessing work readiness skills. However, it is important to note that the same assessment instrument used for pre-testing work readiness must be used for post-testing work readiness.

- ***Meaningful Work Experience***

Work experience is the core component of a summer employment program. All local areas should ensure that participating worksites introduce and reinforce the rigors, demands, rewards, and sanctions associated with holding a job. Local areas should make an effort to match worksites with participants' interests and goals. Some states and local areas have created work experience activities where the learning of work readiness skills is acquired on the job. This may be an acceptable model for older youth who already possess the necessary academic skills. Also, as discussed further below, pre-apprenticeship programs are an effective way of training youth for registered apprenticeship programs and can be a valuable component of summer employment opportunities for youth.

To succeed in the workplace, today's jobseekers and current employees should be able to build relationships with peers, managers, and customers. Consequently, work experience provided to summer employment participants should be structured to impart measurable communication, interpersonal, decision-making, and learning skills.

- ***Worksites***

Local areas should seek employers that are committed to helping participants receive the experience and training that is required to meet the work readiness goals set for summer employment participants. The State recommends selecting employers that are willing to work closely with program staff. It is critical that local areas ensure proper worksite supervision in cooperation with both worksite supervisors and program monitors.

Employers should be flexible in working with youth who have issues that may be barriers to employment. Local areas should consider a combination of public sector, private sector, and non-profit summer employment opportunities. This may also include project-based community service learning opportunities not conducted at an employer worksite. When utilizing service-learning opportunities, worksite supervision, including participant to staff ratio, is critical.

Attention should be given to ensure that work experience arrangements do not unfavorably impact current employees and do not impair existing contracts for services or collective bargaining agreements. In addition, the work experience of the participants should not replace the work of employees who have experienced layoffs (see 20 CFR 667.270 for non-displacement requirements). Youth summer employment should be a work experience intended to increase work readiness skills of participants and not impact the profit margin of a for-profit company. The State recommends adopting selection criteria to ensure that one employer is not favored at the expense of another employer.

Section 1604 of Division A of the Recovery Act states, “none of the funds appropriated or otherwise made available in this Act may be used by any state or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.” Therefore, local areas should not use Recovery Act funds to place youth in summer employment or work experiences in operation of any of these facilities.

- ***Incorporating Green Work Experiences***

Opportunities for skilled workers in the fields of solar, geothermal, wind power design, and the use of environmentally-friendly building materials will mean increased job opportunities for young people who have had exposure to work experiences that equip them with the appropriate “green” knowledge. Local areas can identify regional and local environmental resources, businesses, and pre-apprenticeship programs promoting “green” jobs and products to provide youth summer work experiences that prepare them to compete in a “green” economy. Conservation and sustainability efforts representing existing green work can be used to provide training and work opportunities in areas such as the retrofitting of public buildings, the construction of energy-efficient affordable public housing, solar panel installation, reclaiming of public park areas, or the recycling of computers. Mapping “green” educational and career pathways – both short term and long term – is an excellent way to provide youth opportunities to align their skills with those required by the “green” industries and prepare them for entry into registered apprenticeship or technical training. As a part of mapping these pathways, local areas can work with community colleges to ascertain how training opportunities and coursework are being infused with “green” components. Developing a jobs directory that details the community’s “green” industries is another possible way youth can learn more about “green” career opportunities.

- ***Connections to Registered Apprenticeship***

Registered apprenticeship programs represent collaborative partnerships with schools, employers, labor organizations, community groups, and state apprenticeship offices. In order to better tap into the older, out-of-school pipeline of youth, an increasing number of employers are encouraging workforce professionals to assist with developing and implementing “pre-apprenticeship” training programs. Pre-apprenticeship programs represent a hands-on training experience that provides an introduction to the skills and knowledge needed in a potential career field, and prepares young adults to be eligible for formal apprenticeship programs. Summer employment opportunities can include these introductory programs and combine basic technical skills training in the classroom with experience on the worksite or through a work experience or internship. Frequently, these pre-apprenticeship programs also provide specific life skills training, work readiness or employability skill training, financial literacy classes, and even individual or group counseling. Local areas can connect with registered apprenticeship program sponsors and their individual state apprenticeship office to better determine how best to coordinate a pre-apprenticeship or pre-employment training program. Local areas are encouraged to expand work experience opportunities to registered apprenticeships offered by employers in the information technology, health care, and financial services sectors.

- ***Integration of Work-Based and Classroom-Based Learning Activities***

In some situations, local areas may want to complement work experience with classroom-based learning so that the youth are provided with assistance in developing and refining attitudes, values, and work habits which will contribute to their success in the workplace.

As stated earlier, some states and local areas have integrated work experience activities and learning to the point that all learning is acquired on the job. While this is an acceptable model for older youth who already possess the necessary academic skills, it may not be appropriate for younger youth and older youth with educational deficiencies. For these youth, a combination of work-based and classroom-based learning activities may be warranted to provide basic skills instruction, career exploration and life skills training. In these situations, classrooms may be transformed into interactive, work-related environments to complement the work experience activities.

- ***Academic and Occupational Linkages***

Under WIA regulations at 20 CFR 664.600, local areas are required to offer summer youth employment opportunities that link academic and occupational learning. Rather than requiring the linkage to academic and occupational learning for all summer youth participants, local areas have the flexibility to determine for each youth participant whether academic learning must be directly linked to a summer employment opportunity. Local areas may choose to have a direct link between summer employment and academic learning when deemed appropriate for such individuals. The State encourages local areas to link summer employment to academic learning for summer employment participants who do not have a high school diploma.

- ***Continued Services Supporting Older/Out-of-School Youth During Non-Summer Months***

Out-of-school youth, ages 16-24, experience among the highest rates of unemployment and their future labor market prospects are poor given their lack of education and work experience. The State expects local areas to develop strategies to engage this population. For older and out-of-school youth who are not returning to school following the summer months, local areas should consider work experiences and other appropriate activities beyond the summer months including training opportunities and reconnecting to academic opportunities through multiple education pathways. Additionally, local areas may consider transitional job models that combine short-term subsidized work experience with support services and career counseling. Local areas may also consider co-enrolling such youth in adult training services, particularly youth ages 22-24. Information on co-enrolling youth ages 18 and older can be found at 20 CFR 664.500.

For older and out-of-school youth transitioning to the workplace following work experiences, the WOTC may be promoted as an incentive for employers to hire disconnected youth. The Recovery Act expands the WOTC to disconnected youth ages 16-24 who are not regularly attending school, not readily employed, and lacking basic skills. There is the potential for employers to earn the following tax credits:

- ❖ Up to \$1,200 for each new summer youth hire
- ❖ Up to \$2,400 for each new adult hire
- ❖ Up to \$4,800 for each new disabled veteran hire.

- ***Focus on the Neediest Youth***

Consistent with DOL/ETA's strategic vision for the delivery of services under WIA (as stated in TEGL No. 28-05), the State expects local areas to focus services on the youth most in need, including: out-of-school youth and those most at risk of dropping out, youth in and aging out of foster care, youth offenders and those at risk of court involvement, homeless and runaway youth, children of incarcerated parents, migrant youth, Indian and Native American youth, and youth with disabilities.

- ***Serving migrant and farm worker youth with summer employment opportunities***

Migrant and farm worker youth are often disconnected from both education and the workforce, and could significantly benefit by participating in summer youth employment opportunities. The State strongly encourages local areas to work with workforce system grantees serving farm workers and their dependents to outreach to and enroll farm worker youth in summer employment opportunities. A listing of workforce system grantees serving farm workers and their dependents can be found at <http://www.doleta.gov/MSFW/html/NFJP.cfm>.

- ***Twelve-Month Follow-up***

Follow-up services are one of the 10 required youth program elements as indicated in 20 CFR 664.410(a)(9) and a minimum of 12 months of follow-up services are generally to be provided to participants. Given that summer employment programs usually run for six to eight weeks, local areas have the flexibility to determine if and when the 12-month follow-up requirement will be required for youth served with Recovery Act funds during the summer months only (May 1 – September 30). Local areas should provide follow-up services when deemed appropriate for such individuals.

F. Performance and Reporting

In accordance with the accountability guidelines in the Recovery Act, grantees and sub grantees will be required to collect and report information as conveyed in an upcoming Recovery Act Performance and Reporting TEGL. To the extent that new information or reports are required, DOL/ETA is seeking OMB clearance through the Paperwork Reduction Act process.

For the WIA Youth program, because of the requirement that the work readiness performance indicator be the only measure of performance to assess the effectiveness of summer employment for youth served with Recovery Act funds, a new reporting form, in addition to current data collection instruments, will be used to track youth served with Recovery Act funds. Further details are expected in the upcoming Performance and Reporting TEGL.

- 15. Tools and Resources:** Through DOL/ETA's interactive knowledge sharing and learning platform – www.workforce3one.org – DOL/ETA is providing technical assistance by: broadcasting podcasts and hosting Webinars and Webcasts on topics related to using Recovery Act funds and effective economic recovery strategies; consulting with states and locals to ensure the effective implementation of these investments; offering tools and resources on models and strategies, particularly focused on reemployment and One-Stop service delivery; and connecting state and local leaders and practitioners through virtual communities of practice to encourage peer-to-peer sharing of practices and expertise. Technical assistance related to Recovery Act implementation can be accessed directly at economicrecovery.workforce3one.org. In addition, DOL/ETA is convening regional events and conferences to provide more in-depth learning and networking opportunities.

DOL/ETA has gathered a number of tools and resources from around the country that may be helpful to local areas in implementing a summer employment program with their Recovery Act funds. The tools and resources include summer youth program models, worksite agreements, work readiness measurement methodologies, training materials for staff and worksite supervisors, guidance for monitoring worksites, and past technical assistance materials developed under the Job Training Partnership Act summer employment program. The tools and resources for summer youth, as well as for reemployment, can be found on www.workforce3one.org.

DOL/ETA Recovery Act implementation: questions and answers: Questions and answers related to the implementation of WIA formula programs under the Recovery Act will be posted at <http://www.doleta.gov/recovery/>. Additional questions and answers will be posted to this Web site as they become available.

For information specific to Arkansas, the following is currently available.

- Arkansas' own Recovery and Reinvestment site at <http://recovery.arkansas.gov>
- Arkansas' Targeted Industries at <http://arkansasedc.com/business-development/targeted-industries.aspx>
- Arkansas' Department of Workforce Education for information on apprenticeship at <http://dwe.arkansas.gov/Apprenticeship/apprenticeshipindex.html>
- Our Governor's Strategic Plan for Economic Development at <http://arkansasedc.com/media/214323/aedc%20strategic%20plan-low%20res.pdf>

16. Inquiries: Contact Mike Kennedy at (501) 682-3142 or mike.kennedy@arkansas.gov

17. Expiration Date: June 30, 2011.